



Glossary

Cost-to-income⁽¹⁾

Operating costs / (Total operating income + Income of associated companies).

Cost of credit risk

Credit impairment for the period (net) / Average* loans and advances to customers balance (gross).

Coverage ratio on forborne loans and advances⁽²⁾

Accumulated impairment on forborne loans under probation / Total forborne exposures.

Coverage ratio on Non-performing exposure⁽²⁾

(Accumulated impairment on: Debt securities + Loans and advances to customers + Off balance-sheet exposures) / Total non-performing exposures (gross).

Coverage ratio on Non-performing loans⁽²⁾

Accumulated impairment on loans and advances to customers / Total non-performing loans (gross).

Employee costs / Total operating income⁽¹⁾

Employee costs / Total operating income.

Forborne ratio for loans and advances⁽²⁾

Forborne loans and advances under probation / Total loans advances to customers (gross).

Gross return on assets (ROA) ⁽¹⁾ ⁽³⁾

Income before tax and non-controlling interests / Average* net assets.

Gross return on equity (ROE) ⁽¹⁾ ⁽³⁾

Income before tax and non-controlling interests / Average* shareholders' equity.

Loans-to-deposits ratio⁽¹⁾

(Total loans and advances to customers – Accumulated impairment on loans and advances to customers) / Customer deposits.

Net interest income

Interest and similar income - Interest and similar costs.



Net interest income including income from equity instruments

Net interest income + Income from equity instruments.

Net operating income

Net operating income before impairments - Provisions and impairments.

Net operating income before impairments

Total operating income - Operating costs.

Net return on assets (ROA)⁽³⁾

(Income after tax and non-controlling interests) / Average* net assets.

Net return on equity (ROE)⁽³⁾

Income after tax and non-controlling interests / Average* shareholders' equity.

Non-interest income

Net fees and Commissions + Net trading income + Other operating income.

NPE - Non-performing exposure ratio ⁽²⁾

(Non-performing: Debt securities + Loans and advances to customers + Off balance-sheet exposures) / (Gross: Total debt securities + Loans and advances to customers + Off balance-sheet exposures).

NPL - Non-performing loans ratio⁽²⁾

Non-performing loans and advances to customers / Total loans and advances to customers (gross).

Operating costs

Employee costs + Administrative costs + Depreciation and amortization for the period.

Operating costs / average net assets

Operating costs / Average* net assets.

Return on Tangible Equity (ROTE)

Net income / (Average* shareholders' equity – Average* intangible assets).

Net fees and commissions

Fees and commissions income – Fees and commissions expenses.

Securities investments

Financial assets at fair value through profit or loss + Available for sale financial assets + Financial assets held to maturity.



Total operating income

Net interest income + Income from equity instruments + Non-interest income.

Total operating income / average net assets⁽¹⁾

(Total operating income + Income from associated companies) / Average* of net assets.

*Average of the last 13 monthly observations.

¹ As defined by Bank of Portugal *Instruction 6/2018*.

² As defined by EBA.

³ Income after tax: net income for the period attributable to the shareholder of CGD and net income for the period attributable to non-controlling interests.